

# **Jeevan Saathi**

## **Features:**

### **Product summary :**

This is an Endowment Assurance Plan issued on the lives of husband and wife. The plan provides financial protection against death of both the lives. It pays the maturity amount on survival of one or both the lives to the end of the policy term.

### **Premiums :**

Premiums are payable yearly, half-yearly, quarterly, monthly or through salary deductions as opted by you throughout the term of the policy or till the first death of the lives covered, whichever is earlier.

### **Bonuses :**

This is a with-profit plan and participates in the profits of the Corporation's life insurance business. It gets a share of the profits in the form of bonuses. Simple Reversionary Bonuses are declared per thousand Sum Assured annually at the end of each financial year. Once declared, they form part of the guaranteed benefits of the plan. Such bonuses are to be added till date of maturity or the second death of the lives covered, whichever is earlier. Final (Additional) Bonus may also be payable provided policy has run for certain minimum period.

## **Benefits:**

### **Death Benefit:**

On first death the Sum assured is payable in a lumpsum. If the survivor of the two lives dies thereafter during the remaining policy term, Sum Assured along with the all bonuses is payable again in a lumpsum.

### **Maturity Benefit :**

If one or both the lives survive till the end of the policy term, Sum Assured along with all bonuses declared up to maturity date is payable in a lump sum.

### **Supplementary/Extra Benefits :**

These are the optional benefits that can be added to your basic plan for extra protection/option. An additional premium is required to be paid for these benefits.

### **Survival benefits:**

If one or both the lives survive to the maturity date, the sum assured, along with the accumulated bonus, is payable.

**Death Benefits:**

In case either of the couple dies during the policy's term, two things happen. One, LIC pays to the surviving spouse the full sum assured. And, two, the policy continues on the life of the surviving partner without him/her having to pay any further premiums, i.e. the life cover on the survivor continues free of cost.

The sum assured is again be payable on the death of the other partner in case both the husband and wife were to die during the term of the policy. Vested bonus would also be paid along with the sum assured on the second death.

**Surrender Value:**

Buying a life insurance contract is a long-term commitment. However, surrender values are available under the plan on earlier termination of the contract.

**Guaranteed Surrender Value:**

The policy may be surrendered after it has been in force for 3 years or more. The guaranteed surrender value is 30% of the basic premiums paid excluding the first year's premium.

**Corporation's policy on surrenders:**

In practice, the Corporation will pay a Special Surrender Value – which is either equal to or more than the Guaranteed Surrender Value. The benefit payable on surrender is the discounted value of the reduced claim amount that would be payable on death or at maturity. This value will depend on the duration for which premiums have been paid and the policy duration at the date of surrender. In some circumstances, in case of early termination of the policy, the surrender value payable may be less than the total premiums paid.

The Corporation reviews the surrender value payable under its plans from time to time depending on the economic environment, experience and other factors.

**Note:**

The above is the product summary giving the key features of the plan. This is for illustrative purpose only. This does not represent a contract and for details please refer to your policy document.

**Benefit illustration:****Benefit Illustration:****Statutory Warning:**

"Some benefits are guaranteed and some benefits are variable with returns based on the future performance of your insurer carrying on life insurance business. If your policy offers guaranteed returns then these will be clearly marked "guaranteed" in the illustration table on this page. If your policy offers variable returns then the illustrations on this page will show two different rates of assumed future investment returns. These assumed rates of return are not guaranteed and they are not the upper or lower limits of what you might get back as the value of your policy is dependent on a number of factors including future investment performance."

**Illustration 1 (Table 89)**

Age at entry : 35 years (Equivalent age)

Policy Term : 25 Years

Mode of premium payment : Yearly

Sum Assured : Rs. 1,00,000 /-

Annual Premium : Rs. 5361 /-

End of year	Total premiums paid till end of year	Benefit payable on first death of lives covered	Benefit payable on second death of lives covered during the policy term or on survival of one or both the lives till the date of maturity					
			Guaranteed	Guaranteed	Variable		Total	
					Scenario 1	Scenario 2	Scenario 1	Scenario 2
1	5,361	100000	100000	2,100	5,700	102,100	105,700	
2	10,722	100000	100000	4,200	11,400	104,200	111,400	
3	16,083	100000	100000	6,300	17,100	106,300	117,100	
4	21,444	100000	100000	8,400	22,800	108,400	122,800	
5	26,805	100000	100000	10,500	28,500	110,500	128,500	
6	32,166	100000	100000	12,600	34,200	112,600	134,200	
7	37,527	100000	100000	14,700	39,900	114,700	139,900	
8	42,888	100000	100000	16,800	57,000	116,800	145,600	
9	48,249	100000	100000	18,900	57,000	118,900	151,300	
10	53,610	100000	100000	21,000	57,000	121,000	151,300	
15	80,415	100000	100000	31,500	85,500	131,500	185,500	
20	107,220	100000						

i) This illustration is applicable to a non-smoker male/female standard (from medical, life style and occupation point of view) life.

ii) The non-guaranteed benefits (1) and (2) in above illustration are calculated so that they are consistent with the Projected Investment Rate of Return assumption of 6% p.a.(Scenario 1) and 10% p.a. (Scenario 2) respectively. In other words, in preparing this benefit illustration, it is assumed that the Projected Investment Rate of Return that LIC will be able to earn throughout the term of the policy will be 6% p.a. or 10% p.a., as the case may be. The Projected Investment Rate of Return is not guaranteed.

iii) The main objective of the illustration is that the client is able to appreciate the features of the product and the flow of benefits in different circumstances with some level of quantification.

iv) Future bonus will depend on future profits and as such is not guaranteed. However, once bonus is declared in any year and added to the policy, the bonus so added is guaranteed.

v) The Maturity Benefit is the amounts shown at the end of the policy term.

vi) Equivalent age for premium calculation is worked out by referring to actual ages of the lives covered.